

RECORDATION NO. 8246-Q
OCT 7 1988-10 10 AM

RECORDATION NO. 8870-C
OCT 7 1988-10 10 AM
INTERSTATE COMMERCE COMMISSION

ITEL

INTERSTATE COMMERCE COMMISSION

Itel Rail Corporation

August 22, 1988

55 Francisco Street
San Francisco, California 94133
(415) 984-4000

RECORDATION NO. 8343
OCT 7 1988-10 10 AM

RECORDATION NO. 8871-H
OCT 7 1988-10 10 AM

Hon. Noretta R. McGee
Secretary
Interstate Commerce Commission
Washington, DC 20423

INTERSTATE COMMERCE COMMISSION

Re: Termination of Railroad Equipment Lease Agreement dated June 28, 1977, between Itel Rail Corporation and Manufacturers Hanover Leasing Corporation

Dear Ms. McGee:

On behalf of Itel Rail Corporation, the above instrument, in five (5) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$52 recordation fee.

Please record this Termination under the Railroad Equipment Lease Agreement dated June 28, 1977, between Itel Rail Corporation, as successor in interest to SSI Rail Corp., and Manufacturers Hanover Leasing Corporation, which was filed with the ICC on June 30, 1977, under Recordation No. 8870. Please cross-index this Termination to the following three leases: (1) Lease Agreement dated March 26, 1976, between SSI Rail Corp. and Marinette, Tomahawk and Western Railroad Company ("MTW"), which was filed with the ICC on June 30, 1977, under Recordation No. 8871; (2) Lease Agreement dated March 26, 1976, between SSI Rail Corp. and Sabine River and Northern Railroad Company ("SRN"), which was filed with the ICC on March 26, 1976, under Recordation No. 8246; and (3) Lease Agreement dated March 26, 1976, between SSI Rail Corp. and Valdosta Southern Railway Company ("VSO"), which was filed with the ICC on May 26, 1976, under Recordation No. 8343.

The parties to the aforementioned instrument are listed below:

Manufacturers Hanover Leasing Corporation (Lessor)
270 Park Avenue
New York, New York 10017

Itel Rail Corporation (Lessee)
55 Francisco Street
San Francisco, California 94133

Hon. Noreta R. McGee
August 2, 1988
Page Two

This Termination terminates in its entirety the Lease Agreement between Lessor and Lessee and two hundred forty-five (245) XM boxcars bearing reporting marks MTW 4200-4239, MTW 4241-4268, MTW 4270-4299; SRN 5200-5209, SRN 5211-5224, SRN 5226-5287, SRN 5289-5299; and VSO 6250-6299.

Please return to the undersigned the stamped counterparts not required for filing purposes, together with the ICC fee receipt and acknowledgment letter.

Very truly yours,

Patricia Schumacker

Patricia Schumacker
Legal Department

:ps
Enclosures

RECORDED 8871-4
OCT 7 1988 - 10 40 AM
INTERSTATE COMMERCE COMMISSION

TERMINATION, DATED AS OF AUGUST 12, 1988,
OF RAILROAD EQUIPMENT LEASE AGREEMENT BETWEEN
ITEL RAIL CORPORATION, AS SUCCESSOR IN INTEREST TO
SSI RAIL CORP. AND ITEL CORPORATION (THE "LESSEE") AND
MANUFACTURERS HANOVER LEASING CORPORATION (THE "LESSOR")

WHEREAS, Lessee and Lessor are parties to a Railroad Equipment Lease Agreement dated June 28, 1977, as amended (as amended, the "Lease") pursuant to which Lessor has leased to Lessee certain units of railroad equipment scheduled and described therein (the "Cars"); and

WHEREAS, Lessor as seller, and Lessee as purchaser, are parties to a purchase and sale agreement (the "Purchase and Sale Agreement") dated as of the date hereof, pursuant to which Lessor has agreed to sell to Lessee all of the Cars which exist as of the date hereof; and

WHEREAS, Lessor and Lessee desire to terminate the Lease.

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. The Lease is hereby terminated, effective as of the date hereof, and Lessee shall have no obligations thereunder after the date hereof, except that all obligations of Lessee, the terms of which expressly provide that such obligations shall survive any termination of the Lease, shall survive. Lessor hereby acknowledges that Lessee has performed all its rent payment obligations under the Lease and, to the best of Lessor's knowledge, all Lessee's other obligations under the Lease (including indemnity obligations), through and including the date hereof. Lessee hereby acknowledges that, to the best of Lessee's knowledge, Lessor has performed all its obligations under the Lease through and including the date hereof.
2. This Termination shall be governed by the laws of the State of New York without regard to its conflict of laws provisions, but the parties shall be entitled to all rights conferred by the Interstate Commerce Act.

ITEL RAIL CORPORATION

By Robert Kiehl

Title VP Finance

Date 8-8, 1988

MANUFACTURERS HANOVER LEASING CORPORATION

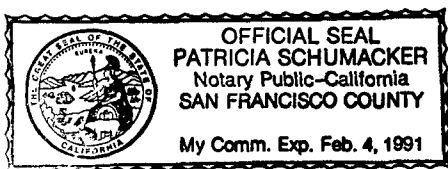
By MC Blay

Title S.V.P.

Date 8/9, 1988

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN FRANCISCO)

On this 8th day of AUGUST, 1988, before me personally appeared Robert C. Kiehnle, to me personally known, who being by me duly sworn says that such person is Vice President of ITEL Rail Corporation, that the foregoing Termination of Railroad Equipment Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Patricia Schumacker
Notary Public

STATE OF)
) ss.
COUNTY OF)

On this _____ day of _____, 1988, before me personally appeared _____, to me personally known, who being by me duly sworn says that such person is _____ of Manufacturer's Hanover Leasing Corporation, that the foregoing Termination of Railroad Equipment Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On August 9, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared THOMAS COLEMAN BLOCH, proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as Senior Vice President on behalf of MANUFACTURERS HANOVER LEASING CORPORATION, the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

~~Signature:~~

[Notarial Seal]

